



OFFICE OF THE CITY CONTROLLER
CITY OF HOUSTON
TEXAS

RONALD C. GREEN

To: Mayor Annise D. Parker
City Council Members

From: Ronald C. Green
City Controller

Date: March 1, 2013

Subject: January 2013
Financial Report

Attached is the Monthly Financial and Operations Report for the period ending January 31, 2013.

GENERAL FUND

The Controller's Office is projecting an ending fund balance of \$133.9 million for FY2013. This is \$29.7 million lower than the projection of the Finance Department. The difference is due to a \$29.7 million higher revenue projection from the Finance Department. Based on our current projections, the fund balance will be \$4.9 million above the City's target of holding 7.5% of total expenditures, excluding debt service, in reserve. This amount includes the undesignation of the \$20 million in the Rainy Day Fund, and reimbursement of \$20 million.

The only changes in our revenue projections are an increase of \$1.15 million in Sales Tax, recognizing the December sales tax receipt that was up 5.16% over the prior year.

The major differences are now in seven categories: (1) Property Tax revenues are still \$9.8 million lower due to the Controller's Office using a higher TIRZ payment projection. (2) Industrial Assessments are still \$1.9 million lower as Controller's Office is using a lower collection rate than Finance. (3) Sales Tax revenues are now \$8.3 million lower, as the Controller's Office is using Barton Smith's April 2012 growth estimate, discounted by his margin of error, plus actual receipts for July through December 2012. (4) Licenses & Permits are now \$2.2 million lower, as we are awaiting additional data on several annual permit categories for the year. (5) Charges for Services are now \$1.7 million lower, as the Controller's Office is projecting slightly lower Ambulance collections. (6) Municipal Courts are still \$3 million lower, as the Controller's Office expects lower ticket issuance than Finance. (7) Miscellaneous/Other is still \$1.8 million lower because of one-time revenues.

Expenditure projections have decreased \$2 million, which is \$14.3 million above the Adopted Budget. Our projection for General Government decreased to reflect more accurate projections of the Rape Kit testing costs.

ENTERPRISE FUNDS

There were no material changes in the Aviation, Convention & Entertainment, Combined Utility, Dedicated Drainage, or Stormwater Fund this month.

Mayor Annise D. Parker
City Council Members
January 2013 Monthly Financial and Operations Report

COMMERCIAL PAPER AND BONDS

The City's practice has been to maintain no more than 20% of the total outstanding debt for each type of debt in a variable rate structure. As of January 31, 2013, the ratio of unhedged variable rate debt for each type of outstanding debt was:

General Obligation	8.0%
Combined Utility System	3.1%
Aviation	17.4%
Convention and Entertainment	18.3%

Respectfully submitted,



Ronald C. Green
City Controller